

FOR NOTICE AND INFORMATIONAL PURPOSES ONLY – NO ACTION REQUIRED

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

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In re:

DOWLING COLLEGE f/d/b/a DOWLING
INSTITUTE f/d/b/a DOWLING COLLEGE
ALUMNI ASSOCIATION f/d/b/a CECOM
a/k/a DOWLING COLLEGE, INC.,

Chapter 11

Case No. 16-75545 (REG)

Debtor.
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NOTICE OF RESOLUTION OF CLAIMS

PLEASE TAKE NOTICE, that Ronald J. Friedman, Esq., the Unsecured Creditor Trustee of the Dowling College Unsecured Creditor Trust, successor-in-interest to Dowling College f/d/b/a Dowling Institute f/d/b/a Dowling College Alumni Association f/d/b/a Cecom a/k/a Dowling College, Inc. (the “Debtor”), has served this notice of resolution of claims upon you for notice and informational purposes only and that, as a creditor of the Debtor, you are not required to take any action with respect hereto;

PLEASE TAKE FURTHER NOTICE, on November 28, 2016 (the “Petition Date”), the Debtor filed a voluntary petition for relief under chapter 11, title 11, United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Eastern District of New York (the “Court”);

PLEASE TAKE FURTHER NOTICE, that by order dated December 20, 2018 (ECF Doc. No. 662) (the “Confirmation Order”), the Court confirmed the Debtor’s chapter 11 plan of liquidation (the “Plan”), which, among other things, established the Dowling College Unsecured Creditor Trust (the “Trust”) and authorized the appointment of a trustee. Pursuant to the Unsecured Creditor Trust Agreement, Ronald J. Friedman, Esq. was appointed the Unsecured Creditor Trustee (the “Trustee”);

PLEASE TAKE FURTHER NOTICE, that Section 5.4 of the Plan established the

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Trust, provided for the appointment of the Trustee, and required that the Confirmation Order provide for the appointment of the Unsecured Creditor Trustee. The Plan further provided that the Unsecured Creditor Trustee shall be deemed the Unsecured Creditor Trust's exclusive representative in accordance with § 1123 of the Bankruptcy Code and shall have all powers, authority and responsibilities specified under §§ 704 and 1106 of the Bankruptcy Code;

PLEASE TAKE FURTHER NOTICE, that the Plan also established the Unsecured Creditor Trust Oversight Committee which had the authority specified in the Unsecured Creditor Trust Agreement. The Plan and the Unsecured Creditor Trust Agreement provided that the Unsecured Creditor Trustee shall consult with and provide information to the Unsecured Creditor Trust Oversight Committee with respect to any material action to be taken or not to be taken by the Unsecured Creditor Trust, and such other matters designated by the Unsecured Creditor Trust Oversight Committee;

PLEASE TAKE FURTHER NOTICE, that under the Plan and the Confirmation Order, the Trust succeeded to all of the rights of the Debtor with respect to the Unsecured Creditor Trust Assets and that the powers and duties of the Unsecured Creditor Trustee include, the right "to act on behalf of the Unsecured Creditor Trust in all adversary proceedings and contested matters (including, without limitation, any Avoidance Actions and Causes of Action) assigned to the Unsecured Creditor Trust, then pending or that can be commenced in the Court and in all actions and proceedings pending or commenced elsewhere, and to settle, retain, enforce, or dispute any adversary proceedings or contested matters (including, without limitation, any Causes of Action) and otherwise pursue actions involving Unsecured Creditor Trust Assets that could arise or be asserted at any time under the Bankruptcy Code or otherwise, unless otherwise specifically waived or relinquished in the Plan, provided, however, that settlements by the Unsecured

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Creditor Trust of Causes of Action shall be subject to the approval of the Unsecured Creditor Trust Oversight Committee.”;

PLEASE TAKE FURTHER NOTICE, the Trustee raised certain claims against KPMG US LLP (“KPMG”) seeking to recover damages from KPMG based upon accounting malpractice;

PLEASE TAKE FURTHER NOTICE, that KPMG disputes the Trustee’s allegations, and KPMG contends that the services it provided to the Debtor complied with professional standards, that KPMG was not engaged to provide business or management consulting advice to the Debtor, and that KPMG did not cause the Debtor’s financial distress or bankruptcy;

PLEASE TAKE FURTHER NOTICE, that the Trustee and KPMG, through their respective counsel have engaged in extensive good faith negotiations to settle the Trustee’s claims, including utilizing a professional mediator;

PLEASE TAKE FURTHER NOTICE, that the Trustee and KPMG have reached a settlement upon the terms and conditions set forth in a separate, confidential settlement agreement;

PLEASE TAKE FURTHER NOTICE, that the Unsecured Creditor Trust Oversight Committee, consisting of Linda Ardito, Lori Zaikowski, and Ultimate Power, Inc., has (a) reviewed the proposed settlement with KPMG, and (b) reviewed all attendant factors and in exercise of their sound business judgment, and has unanimously approved such settlement as providing a benefit to the Debtor’s unsecured creditors;

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PLEASE TAKE FURTHER NOTICE, that UMB Bank, National Association, as successor indenture trustee for the certain Series 1996 Bonds and Series 2002 Bonds and indenture trustee for the Series 2015 Bonds issued by the Debtor (“UMB”), and ACA Financial Guarantee Corporation, as bond insurer for the Series 2006 Bonds issued by the Debtor (“ACA”) have all also approved the settlement.

Dated: Jericho, New York
October 3, 2019

SILVERMANACAMPORA LLP

Attorneys for Ronald J. Friedman, Esq.,
the Unsecured Creditor Trustee of the Dowling
College Unsecured Creditor Trust, successor-in-
interest to Dowling College f/d/b/a Dowling
Institute f/d/b/a Dowling College Alumni
Association f/d/b/a Cecom a/k/a Dowling College,
Inc.

By: s/ Anthony Acampora
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